

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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1. The General Pharmaceutical Directorate is under the Ministry of Health. It is the highest organization in the pharmaceutical field, directing, checking, and controlling pharmaceutical activities throughout the Rumanian People's Republic. The General Directorate is headed by a Director General and has the following components:
 - a. Directorate of the Pharmaceutical Industry: Prepares production plans, assigns quotas to pharmaceutical plants, prepares statistics, checks, and supervises plan fulfillment.
 - b. Directorate of Personnel and Education: Recruits specialized personnel, checks higher personnel in the enterprises under its jurisdiction, organizes and prepares the teaching plan for the training of persons entering this field, prepares plans for regional activities. It also appoints inspectors and inspectors general to check the fulfillment of the duties of workers in pharmaceutical plants in the field. These inspectors are most often men who have no knowledge or competence in the pharmaceutical field.
 - c. Directorate of Organization, Supervision, and Control: Carries out professional activities. It studies the pharmaceutical products and the various pharmaceutical needs throughout the country.
 - d. Directorate of Accounting and Finance: This component is concerned with the standardization of accounting plans, accounting, supervision of specialized personnel, and directs the checking units which exercise regional control. Quarterly accounts are submitted to the Directorate of Accounting and Finance by the regional pharmaceutical offices and by all pharmaceutical services in the country.

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- e. Directorate of Personnel in Pharmaceutical Training Schools: Supervises the professional training courses.
 - f. Directorate of Planning: Prepares production plans for both production and for sales; assigns the planned quotas to regional pharmaceutical offices and to pharmaceutical plants. Persons responsible for failure to fulfill the production and sales plans are punished.
2. Pharmaceutical plants prepare medicines from either domestic substances or from preparations from foreign countries. One of the pharmaceutical plants in Rumania is Pharmaceutical Factory No. 1, which prepares medicines such as anti-neuralgic preparations, "Dechol", "Cif", multivitamins, "Placentol", "Placentid", "Carbocif", and "Vepopyrin."
3. Pharmaceutical plants are headed by a director, usually with no professional training, from the ranks of the workers. Under the director is a chief technician who can be a pharmacist, a chemist, a chemical engineer, etc., and a chief accountant who deals with financial matters in the respective enterprises. The technician is concerned with the fulfillment of production plans, for which the chiefs of the production sections are directly responsible. In addition to the above three persons, the administration of a pharmaceutical plant contains the following services:
- a. Business Service: The business service of a pharmaceutical plant deals with the sale and shipment of medicines to and from central pharmaceutical depots. These depots are directly under the General Pharmaceutical Directorate of the Ministry of Health. In Bucharest, this is the Health Depot on Bulevardul Filantropiei. The depots store all kinds of medicines in conformity with the plan set up by the Planning and Distribution Directorate. Pharmaceuticals then go to the regional depots of the Centrofarm (Pharmaceutical Center), which is the highest organization. The Centrofarm directs pharmaceuticals and other medical substances to the state pharmacies and pharmaceutical points in the various regions.
 - b. Planning Service: The planning service of a pharmaceutical plant checks on the fulfillment of the production and variety plans and reports the results on a monthly basis to the Directorate. This service also draws up all data to permit computation of production costs. The costs include the operation of the enterprise, overhead expenses, production costs, amortization fund, taxes which are 40-50 percent in the pharmaceutical industry, and the profit, which is six percent.
 - c. Production Service: The production service of a pharmaceutical plant studies medicines and, after obtaining the approval of the State Standardization Committee and the Ministry of Health for the particular medicaments, puts them into production. The production service supervises the fulfillment of the production plan.
 - d. Supply Service: The supply service of a pharmaceutical plant deals with the supply of raw materials for production. The supply service is carried out on the basis of a supply plan prepared by the Ministry of Health. Results of the supply plan are reported to the Ministry. There have been many difficulties in supply, particularly in transportation, because of the lack of trucks, cars, etc., and difficulties caused by a shortage in raw materials.
 - e. Accounting Service: The accounting service of a pharmaceutical plant keeps books and computes production costs.
 - f. Financial Service: The financial service of a pharmaceutical plant takes care of debits on goods produced.

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- g. Work, Wage, and Norm Service: The work, wage, and norm service of a pharmaceutical plant prepares norms for work and wages.
- h. Cadre Service: The cadre service of a pharmaceutical plant is headed only by a party member and deals with the recruitment of technical personnel, administrators, and workers. It investigates the life and past activities of the personnel. This section contains personnel, social welfare, and administrative groups.
4. The organization of a regional pharmaceutical office does not differ much from the above. The regional pharmaceutical office controls and organizes the supply of pharmaceuticals which are distributed by "closed circuit pharmacies" and by "state sales pharmacies", which include drug stores in cities and pharmaceutical points in the country.
- a. Closed Circuit Pharmacies: These pharmacies are connected with the various hospitals and sanatoriums. They give free medicines, of poor quality, to cases of pulmonary and bone tuberculosis at the time of entry into an institution. The drugs distributed by the pharmacies include Soviet or Hungarian streptomycin, "Netulestulofon." Forty grams of streptomycin are prescribed per person, but only five grams are administered. In addition, PAS (para amino salysilic acid) and Rimifon are given. The latter two drugs come from abroad but are made into tablets in Rumania. Foreign medicines are to be found in abundance in hospitals but only party members are treated with foreign drugs.
- b. State Sales Pharmacies: These pharmacies, which are open to the public, were established as state stores after the nationalisation of privately-owned drug stores in 1949. The former owners were removed from their stores and an inventory was taken by delegates of the Ministry of Health and the Militia. The owner was not paid and the majority were removed from the pharmacy service. Each drug store is headed by a chief pharmacist. The 200 drug stores in Bucharest have the following personnel:
- 1) Chief pharmacist;
 - 2) Five to six druggists, and in the case of 10 permanent pharmacies in Bucharest, there are 10-12 druggists;
 - 3) One to two laboratory assistants;
 - 4) A cleaning woman; and
 - 5) A cashier.
5. In the eight raions of Bucharest, the number of active and arrested cases of tuberculosis is 30,000. Tubercular patients in hospitals and sanatoriums buy drugs on the black market at extremely high prices. A gram of American streptomycin is bought at 80 lei (5.9 lei to \$1.00). Contraband and clandestine sale of foreign drugs is punished by a severe jail term.
6. There is a great demand for multivitamins of Rumanian manufacture, and they are distributed once a month to each drug store, although weekly orders are submitted for the vitamins. Instructions are that multivitamins must be sold in bottles of 100. There is also a great demand for Vitamin B, which is in short supply.
7. Doctors and druggists received 605 lei net wage as of 1 December 1953. Chief pharmacists and chief physicians received 800 to 1,000 lei maximum. A beginning pharmacist gets 650 lei, then 837 lei from five to 10 years of service, and 960 lei for more than 10 years. A chief pharmacist gets 1,000 lei if his daily sales are up to 2,000 lei per day; 1,100 lei for sales of

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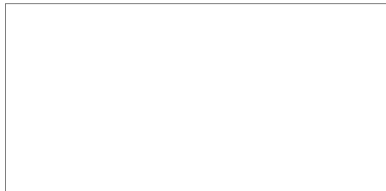
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2,000 to 3,000 lei per day and thus can reach a maximum of 1,300 lei per month in the case of large pharmacies with large sales volumes, as for example, Pharmacy No. 1, beside the Savoy Theater on Calea Victoriei, and Pharmacy No. 9, on the corner of Dorebanti and Stefan cel Mare streets.

8. Pharmacists with experience are moved from stores in which they have worked for many years and are sent to the provinces to be assigned in another region. Many young pharmacists who graduate from school are sent out in the country. Some of them refuse to go and are brought to trial. There is a government commission which deals with the distribution of young pharmaceutical graduates.



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